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EX-SPYMASTER AIMS AT HIGH-TECH SUPREMACY
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Bobby Ray Inman has swapped cloak and dagger for a businessman's mufti and classified secrets for proprietary ones, but the master spymaster is still outfoxing his competition.

The former CIA deputy director and chief of the ultrasecret National Security Agency heads what has been called one of the nation's great business experiments -- an attempt by rival American companies to join forces and beat the Japanese at inventing the next generation of computers.

''Our success or failure here,'' he predicted of the hybridized outfit, Microelectronics and Computer Technology Corp., ''will affect the long-term security of the United States and its economic viability.''

Inman, 54, is no tyro when it comes to high tech. A self-styled technologist, he created electronic espionage networks for the Navy, the Defense Intelligence Agency, the CIA and the NSA, an agency so secretive few government leaders knew its function -- to crack enemy codes, monitor foreign communications and shield U.S. secret transmissions.

But Inman no longer pursues that ''ungentlemanly task of looking into other people's mail'' -- his words, paraphrasing a former Secretary of State.

Instead, he's trying to create ''an atmosphere of genius,'' a reserach workplace conducive to brilliance -- a place where the secrets of thinking machines can be unlocked. It isn a daunting challenge even for an accomplished codebreaker.

But the MCC experiment appears to be working, despite the long odds. Business leaders in other fields have contacted him about setting up similar joint research projects to meet the growing competition from abroad.

''One thing we have proven indisputably,'' said the soft-spoken admiral, sounding more like a introspective professor than a spy of three decades, ''is that this is the way to meet the competition, a collaborative research effort. We have already made great headway on our projects and have completed hiring our staff.

''We still have a long way to go before we see results. But we know now this was the way to do the job.''

The first months at MCC were simply a battle of survival. Many corporate leaders felt the project was doomed because of a fundamental obstacle: The corporation was at odds with the Sherman Anti-Trust Act.

The Justice Department was threatening to close down the project.

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But nobody had counted on Inman's galvanizing presence. He and his proxies argued persuasively in the right corners of Washington. The competition was just too strong and unique, they argued. At stake was eminence in world technology. The winner will take all. The Japanese had a head start. An exception to an ''archaic'' rule had to be made.

In an extraordinary move, the Justice Department made an exception. In December 1982, it announced it did not object to the existence of a coalition of American business giants, a turnabout in the policy held since the trust-busting days of Teddy Roosevelt. Even so, the agency reserved the right to review the corporation's major programs for possible violations.

''We got the amber light,'' Inman later joked.

But antitrust fears scared away IBM, Texas Instruments, and AT&T with its prestigious Bell Laboratories. Their conspicuous absence, in fact, served as Inman's ''security blanket'' against further Justice Department intrusion.

''America's antitrust laws of 1890 and 1910 shaped business attitudes in this country,'' he said. ''But times change.''

Today, the battle for high-tech supremacy is fought in a worldwide arena. MCC's inspiration and impetus, in fact, came from Japan's government-subsidized Institute for New Generation Computer Technology. Western Europeans are also working on a similar concept.

Thus, MCC was a ''shotgun'' affair, an unnatural wedding of domestic rivals -- Lockheed, Boeing, Sperry, RCA, Honeywell, Harris and others -- concerned for their future in a rapidly evolving market.

''Right now, MCC is a U.S.-only corporation,'' he notes. ''However, with success, we may see some change in that, a willingness to license foreigners. We cannot operate in a Fortress USA format.''

In MCC's case, shareholders plan to create the basic technology of the future -- a fifth generation of superfast computers -- retaining ownership of all intellectual property and patents. MCC employees must sign agreements protecting the integrity of the research. A major security fear: trusted employees with itchy palms.

''The motive today is cash, cash only,'' he said. ''In industrial and military espionage of the 1930s and 1940s, ideology was the key. In the 1970s and 80s, it's the money.

Betrayal by a trusted worker is virtually impossible to anticipate. But measures can be taken.

Eventually MCC's technology will be available for licensing to outside parties. Some of the technology, he acknowledges, will have defense applications. ''We're going to need super-fast computers for weapons systems design, for surveillance systems.''

Congress earlier this year endorsed the concept.

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Next year, he predicts at least a half-dozen major collaborative programs among major industries will be launched. ''There will be one or two in the energy industry, a couple in chemicals, even steel. We'll see a substantial surge in these joint ventures as a way of accelerating research no individual company would be willing to take.''

Inman is reluctant to talk in detail about his former career, but he finds many shortcomings in the nation's espionage system. He describes current U.S. intelligence capabilities as ''marginal.''

The reasons, he says, have more to do with wrong-headed policy than with inadequate skills. For instance, when U.S. defense agencies failed to predict the 1973 Yom Kippur War, Defense Secretary James Schlesinger decreed a 25 percent intelligence budget curtailment.

''It was reasoned that less money would make the system leaner and meaner. That theory may work in business, but not in international intelligence gathering. Money is a weapon. We blunted our weapon.''

Since leaving the CIA, Inman has defended the technological aspects of intelligence but confesses to U.S. weaknesses in tracking political and economic trends and anticipating Third World upheavals.

Intelligence surveillance of the Soviet Union and assessment of foreign military equipment and armed forces are adequate, he says, but the system does poorly in monitoring competition for raw materials, natural resources and markets and the fervor of religious movements.

''The key is you never want to be dependent on a single source,'' he said. ''You need human and at least one of the technicals. Humans can be misled. Technical information can be misleading. You may not know what you're looking for in a photo or where to look.

Misinterpreted data recently created the specter of MiG shipments to Nicaragua.

''My judgment from the side was that you had some pieces of information which had caused alarm, and that alarm was conveyed out in media stories.

''Then it turned out when all the pieces got together it was not the answer we thought we had. We knew the crates were of a kind used to ship aircraft. And the freighter had (cargo) holds large enough below deck.

''Then we got another look. The crates were not there. The ship was not there. We were left wondering at the end if we were being tested by the enemy, or if we missed an offloading somewhere along the way in an Algeria or a Libya.''

Inman is still guarded about his reasons for leaving the CIA, a job he accepted at age 49 when Reagan promised him four-star rank. Only two other men in U.S. Navy history ever reached full admiral rank at that age. Inman, a product of the Texas Blacklands, never attended Annapolis.

''If ever there was the right man in the right place at the right time, you're that man,'' Sen. Barry Goldwater, R-Ariz. said to Inman when his name was proposed for the CIA deputy's spot.

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''He doesn't give a damn about what administration is in office,'' a Naval intelligence officer said. ''He just gets on with the job of trying to present the best intelligence possible, good or bad news, the quickest possible time.''

So the shock waves were great on April 21, 1982, when the admiral announced he was stepping down to ''face fresh challenges,'' despite having no job offers then in hand.

Inman had previously expressed a desire get out of government, even during his tour as director of NSA, but there were signs during his CIA tenure of policy differences between him and the administrtion.

He objected, for instance, to suggestions the CIA be expanded to engage in domestic intelligence gathering and also was said to have advocated more use of technological spying rather than human agents. He was said also to have had conflicts with CIA Director William Casey.

Inman dismissed reports of difficulties with Casey. ''There is a limit on how far you can go (in a government career),'' he told the American Newspaper Publishers Association. He told UPI he did not impulsively bolt The Company.

''It was not anger or frustration which caused me to leave, despite the reports,'' he said. ''It was always my intention to step aside for new talent, to retire and make room. I always thought I would retire in 1981, 1982 at the latest. I did indeed execute that plan.''

Three months after retirement, Inman was picked to head the MCC venture. He took the job, he said, because wanted a second career, not a retirement sinecure. MCC wanted a man who could deal with staff personnel, technology and the politics of high office.

Inman, in fact, likens shareholders of MCC to allies of

NATO and his staff

Eventually MCC's technology will commensurate egos -- to the best, brightest and occasionally most unruly of the Pentagon's intelligence community.

''I'm eager myself to see how well the lessons I learned in government service translate to the private sector.''